

Internal Control Assessment Non-Permissible Expenses

Purpose

To ensure that FSA reimburses its employees only for travel expenses that are allowable.

Background

In accordance with The Federal Travel Regulation (FTR), a FSA reviewing official must have full knowledge of its employee's travel related expenses. The official must ensure that travel claims are properly prepared in accordance with FTR regulations and FSA procedures. To this end, a proper travel voucher must include a copy of the approved travel authorization along with copies of receipts, statements, and other justifications. to support amounts claimed on the travel voucher. The FSA reviewing official must also sign travel claims to approve the amounts claimed on the travel voucher. The FSA reviewing official assumes ultimate responsibility for the validity of a claim, however, the FSA employee attests that all travel expenses are necessary and valid when submitting a claim for reimbursement.

If a FSA employee attempts to defraud the government, the FSA employee forfeits expenditure reimbursement and is subject to a fine or possible imprisonment.

A FSA reviewing official may disallow an expense claimed by a FSA employee that is not properly itemized, is not substantiated by a receipt or other form of documentation, or claims an expense that is not authorized or allowable. Examples of allowable reimbursable expenses are parking fees, ferry fees, bridge, road, and tunnel fees, aircraft or airplane parking, landing, and tie-down fees. Examples of non-reimbursable expenses are charges for repairs, depreciation, replacements, grease, oil, antifreeze, towage and other similar expenses.

Internal Control Standard

FSA must only reimburse its employees for allowable travel expenses.

Assessment of FSA's Compliance*

We performed a judgmental sample of X of FSA's travel vouchers and determined that FSA employees are being reimbursed only for their allowable expenses.

* The actual testing phase including interviews and examination of sampled records has not yet occurred. This write-up is only a sample of what may be discovered during the testing phase of the FMFIA process.